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## FISCAL IMPACT REPORT

SPONSOR: Nunez DATE TYPED: 03/21/03 HB HJM 69/aSCOR/aSFI#1

SHORT TITLE: Procurement Code Design & Build Task Force SB \_\_\_\_\_

ANALYST: Geisler

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			See Narrative		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

General Services Department (GSD)

### SUMMARY

#### Synopsis of Senate Floor Amendment #1

The Senate Floor Amendment to House Joint Memorial 69 streamlines the discussion in the introductory section of the joint memorial by striking:

1. On page 1, lines 21 through 25.
2. On page 2, lines 1 through 11.
3. On page 2, lines 15 through 18

In addition, the Senate deletes the Associated General Contractors – New Mexico Building Branch from the task force.

#### Synopsis of SCOR Amendments

The Senate Corporations and Transportation Committee Amendments to House Joint Memorial 69 added three additional members to be invited to participate in the task force to review and recommend changes to the “Design and Build” provisions of the Procurement Code: the Rio Grande chapter of the associated builders and contractors, the American subcontractors association of New Mexico, and the northern New Mexico independent electrical contractors association.

Synopsis of Original Bill

House Joint Memorial 69 requests the Purchasing Division (PD) of the GSD to convene a task force made up of government and industry parties to review and recommend changes to the “Design and Build” provisions of the Procurement Code. HJM 69 further requests that the task force review other construction provisions of the Procurement Code and the Public Works section of Chapter 13, Laws of New Mexico to bring them more in line with neighboring states and the national trend in procurement methodology for construction projects

Significant Issues

The task force is requested to report its findings and recommendations, if any, to the Governor and members of the Legislature by October 31, 2003. Because the analysis called for in the memorial could be extensive, GSD believes that the product could be of higher quality if the deadline for submittal is amended to December 31, 2003.

GSD/ PD believes the study would be valuable for the following reasons:

- A task force, such as the one proposed, can look at the bigger picture from the viewpoint of a variety of agency needs and provide a mechanism for these agencies to have input in proposed changes that may improve the process.
- The American Bar Association’s Model Procurement Code Review Project has been completed. A lot of attention was given to reviewing the Public Works portion of the original 1984 model code with changes as were deemed appropriate. Since New Mexico’s Procurement Code is a modified version of the ABA’s code it would seem appropriate to compare one to the other, which would be a component of the study called for in this Memorial.

**FISCAL IMPLICATIONS**

Indeterminate. There could be some travel related costs for GSD and other state agency staff due to the possibility of having task force meetings at different locations around the state.

**AMENDMENTS**

On page 4, line 6 replace “October” and insert in lieu thereof the word “December”.

**GG/sb:njw**